



***Results of in-depth review  
of subjective poverty measures***

***Summary***

Anna Bieńkuńska

## Purpose of the presentation:

to present the main conclusions of the in-depth review of subjective poverty measures (including the position of the CES Bureau on further work in this area)

- ✓ The Bureau of the Conference of European Statisticians (CES) regularly reviews selected statistical areas in depth. The aim of the reviews is to improve coordination of statistical activities in the UNECE region, identify gaps or duplication of work, and address emerging issues.
- ✓ Spring 2021 - Statistics Poland was mandated by CES to undertake an in-depth review of subjective poverty measurement methods
- ✓ This initiative follows the methodological work under the Conference that has led to the publication of the Guide on poverty measurement in 2017 and the Guide on disaggregated poverty measures in 2020
- ✓ 13 October 2021, CES Bureau Meeting - the in-depth review of subjective poverty measures based on a paper prepared by Statistics Poland

# Main sources of information

- ✓ The basis for the presented conclusions on the current approach of the National Statistical Offices to the measurement of subjective poverty were the results of a survey prepared on this issue. Feedback to the questionnaire was received from 53 countries
- ✓ In the case of international organisations, we traced the activities of selected institutions in the field of the topics covered by the review and contacted experts from these institutions
- ✓ The review focuses on the assessment of practices, activities of the last few years, which is not without influence on the presented results

# OVERVIEW OF INTERNATIONAL STATISTICAL ACTIVITIES IN THE AREA

- ✓ A review of poverty surveys and analyses conducted over the past few years by international organisations and institutions (Eurostat, World Bank, OECD, UNDP) shows that subjective poverty has not been in the centre of attention of these institutions
- ✓ The objective approach was clearly dominant at that time and a common list of subjective poverty indicators has not yet been agreed at international level. However, some positive practices of the Eurostat and in particular OECD activities in measuring some aspects of subjective poverty should be noted

# COUNTRY PRACTICES

A review of national practices shows that:

- ✓ few countries use direct measurement of subjective poverty through self-assessment questions
- ✓ in contrast, most countries include questions on subjective assessments of perceived living standards in household surveys (this includes: an assessment of the income situation, the financial problems encountered, as well as the ability to satisfy various types of material and non-material needs). Conceptually, these questions can be used to calculate indirect measures of subjective poverty and to estimate subjective poverty thresholds
- ✓ while questions on the inability to meet various needs are commonly used to calculate deprivation indicators, other questions, e.g. questions on the perception of income situation (including the internationally harmonised question on making ends meet) are rather underused for analyses of subjective poverty

**In general, it can be said that measurement and analysis of subjective poverty tend to be minimised or omitted for most National Statistical Offices. A small group of countries produces, analyses and publishes data in this area on a regular basis.**

## OPINIONS OF NATIONAL STATISTICAL OFFICES ON THE USEFULNESS OF UNDERTAKING FURTHER WORK ON MEASURING SUBJECTIVE POVERTY AT INTERNATIONAL LEVEL

	In favour	Against	No opinion
Preparation of a guide	<b>38</b>	<b>5</b>	<b>10</b>
Development of a list of indicators for international comparisons	<b>35</b>	<b>8</b>	<b>10</b>

# Summarising:

The main conclusions of the review can be summarised as follows:

- ✓ Both the literature review and research practice indicate different ways of understanding and defining the term *subjective poverty*. This indicates a need to clarify terminology and develop a system of concepts related to the measurement of subjective poverty. A common language in this subject area is desirable
- ✓ At present, both at national and international level, objective indicators play a dominant role in monitoring the phenomenon of poverty, and statistical offices give priority to the production of these data. The measurement of subjective poverty is generally limited to a minimum or omitted. A common list of subjective poverty indicators has not yet been agreed at international level
- ✓ The omission of the subjective approach, as complementary to the objective measurement, significantly weakens the diagnosis of poverty. In this context it seems important to disseminate knowledge on the usefulness and interpretation of subjective data on poverty, both among potential users of this type of information and among statistical services. It has been noted, that in many cases the resources of data collected in surveys that can provide a basis for analysing certain aspects of subjective poverty are not fully used

# Recommendations for future work (taking into account the decisions of the CES Bureau\*)

- ✓ The CES Bureau supported further work in this area and agreed to the recommendations presented in the in-depth review paper prepared by Statistics Poland
- ✓ The Bureau decided to establish a task force to develop a guide on measuring subjective poverty and a set of subjective poverty indicators that could be used for international comparison.
- ✓ The terms of reference of the task force will be prepared taking into account the discussions at the meeting of the Group of Experts on Measuring Poverty and Inequality in December 2021.

The proposed list of subjective poverty indicators to be developed should be coherent, holistic and short. The indicators should relate to existing international work, i.e. to the measuring of subjective perception of living conditions defined in the EU Survey on Income and Living Conditions (EU-SILC), and to the OECD guidelines on measuring subjective well-being. The proposed guide on measuring subjective poverty should include a list of indicators, the related conceptual considerations and guidelines on how to develop the indicators.

\* based on the preliminary version of the report of the CES Bureau meeting on 13-14 December 2021



On behalf of Statistics Poland and on my behalf, I would like to thank the National Statistical Offices for their numerous participation in the survey on national practices of measuring subjective poverty, the experts from international organisations (Eurostat, World Bank, OECD, UNDP) for their consultations, and the colleagues from the UNECE for their cooperation at various stages of the review.

# Thank you for your attention

(full report available at the meeting webpage)

Anna Bieńkuńska  
Statistics Poland, Warsaw  
*[a.bienkunska@stat.gov.pl](mailto:a.bienkunska@stat.gov.pl)*